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MILK MARKET <sup>AUG</sup> INFORMATION BULLETIN  
CHATTANOOGA, TENNESSEE MARKETING AREA  
PROCUREMENT SECTION  
DECEMBER 1970  
CURRENT SERIAL RECORDS

Volume 15

Number 5

Released Pursuant to §1090.27 (j) and § 1090.85, USDA-C&MS  
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411  
J. B. McCroskey, Market Administrator

MARKET SUMMARY - DECEMBER 1970

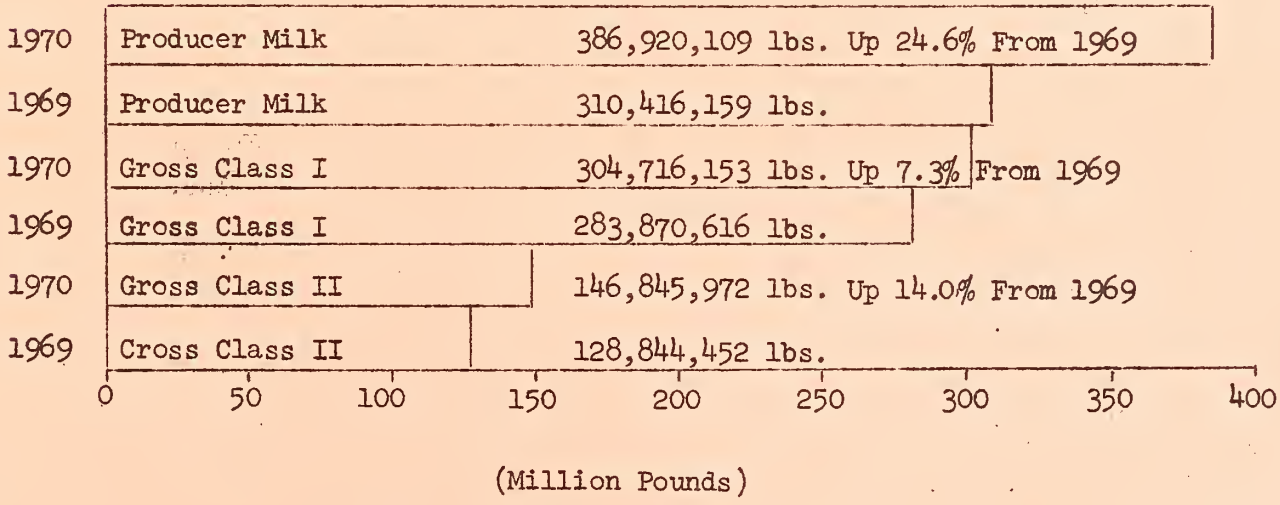
The Federal Order MINIMUM uniform price to be paid producers for milk delivered to pool plants is \$6.30. This hundredweight price is for milk testing 3.5% butterfat and is subject to a producer butterfat differential of 8.2 cents for each one-tenth of one percent above or below 3.5% test.

In December 1970, 68.9% of producer milk received by pool plants was priced in Class I at \$6.97 per cwt. and 31.1% was priced in Class II at \$4.83 per cwt. The December butterfat differential for Class I was 8.4 cents and Class II was 8.1 cents.

Total producer milk received at pool plants during December 1970 was 34,210,823 pounds which is an increase of 2,569,954 pounds or 8.1% compared with December 1969. The December daily average deliveries from 743 producers was 1,485 pounds. This compares to 773 farms delivering a daily average of 1,320 pounds per day during December 1969.

COMPARISON OF PRODUCER RECEIPTS AND GROSS CLASS UTILIZATION

(January thru December)



COMPARISON OF MILK RECEIPTS AND UTILIZATION

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	% Dec. '70 Over Dec. '69	Dec. 1970	Nov. 1970	Dec. 1969
Number of Plants - Pool		6	6	7
- Non-Pool		13	14	13
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	+ 8.1	1,103,575	1,074,873	1,020,673
Other Source	-10.5	26,838	26,526	29,999
Other Federal Orders	-68.3	82,500	65,152	260,113
TOTAL MILK RECEIPTS	- 7.5	1,212,913	1,166,551	1,310,785
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	+ 5.8	446,280	444,255	421,880
Skim - Regular	+10.2	21,214	21,170	19,250
Skim - 2% Milk	+14.1	107,703	100,214	94,423
Buttermilk	+12.4	53,334	52,152	47,448
Flavored Milk and Drink	+ 2.4	15,912	16,381	15,536
Creams (Sweet and Sour)	+17.4	4,459	3,556	3,799
Sub-Total - Pkg. Products (Pool Plants)	+ 7.7	648,902	637,728	602,336
Other (Shrinkage, Inventory, etc.)		791	4,781	5,390
Sales to Non-Pool Plants		124,532	218,771	142,626
In-Area Sales by Non-Pool Plants	+15.0	47,968	48,947	41,724
TOTAL CLASS I MILK	+ 3.8	822,193	910,227	792,076
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	+30.0	37,929	44,402	29,185
Cottage Cheese	+15.5	33,880	38,219	29,327
Powdered and Condensed Milk		36,501	13,621	28,197
Livestock Feed and Milk Dumped		7,202	5,647	7,761
Sub-Total - Used to Produce	+22.3	115,512	101,889	94,470
Shrinkage Class II		7,128	13,600	14,413
Other (Inventory Variation, etc.)		(900)	21,754	(9,329)
Bulk Sales to Non-Pool Plants		268,980	119,081	419,155
TOTAL CLASS II MILK	-24.7	390,720	256,324	518,709
Class I Pkg. Lbs. In Area - Pool Plants	+ 0.2	475,363	467,253	474,381
Class I Pkg. Lbs. Out of Area - Pool Plants	+35.6	173,539	170,475	127,955
Class I Pkg. Lbs. In Area - Non-Pool Plants	+15.0	47,968	48,947	41,724
% Producer Milk of Gross Class I		134.2	118.1	128.9
% Producer Milk Priced in Class I		68.9	78.9	72.2

PLANTS DISTRIBUTING MILK IN FEDERAL ORDER NO. 90 AREA - DEC. 1970

POOL PLANTS - CHATTANOOGA

Dairymen, Inc. - Chattanooga  
Happy Valley Farms, Inc.  
Mayfield Dairy Farms, Inc.  
Ray Moss Farms, Inc..  
Nance Dairy, Inc.  
Sealtest Foods

FEDERAL ORDER NO. 98 - NASHVILLE

Avalon Dairies, Inc.

FEDERAL ORDER NO. 33 - OHIO VALLEY

Kroger Company

FEDERAL ORDER NO. 7 - GEORGIA

Coble Dairy Products Cooperative, Inc.  
Dempsey Brothers Dairies, Inc.  
Meadowbrook Dairy, Inc.  
Meadow Gold Dairies of Georgia  
Superbrand Dairy Products, Inc.

FEDERAL ORDER NO. 101 - KNOXVILLE

Broadacre Dairies, Inc.  
Norris Creamery, Inc.  
Pet, Inc.  
Stoffell's Dairy, Inc.  
Wolfe Enterprises, Inc.

PARTIALLY REGULATED - CHATTANOOGA

Tro-Fe Dairy Company, Inc.



## COMPUTATION OF PRODUCER UNIFORM PRICE

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DECEMBER 1970	Class %	Milk Pounds	Butterfat Test - %	Cwt. Price @ Test	Gross Value
Gross Class I		25,487,975	3.325		
Less Other Source		1,900,817	2.931		
Producer Milk Class I	68.9	23,587,158	3.357132	\$6.849991	\$1,615,718.20
Gross Class II		12,112,332	5.136		
Less Other Source		1,488,667	2.660		
Producer Milk Class II	31.1	10,623,665	5.483428	6.436577	683,800.38
TOTAL PRODUCER MILK (Cl.I + Cl.II)	100.0	34,210,823	4.017422		\$2,299,518.58
Add Value of Overage					822.07
Add Value of Other Source Receipts					
Allocated to Class I and Location Adj.		1,604	0.00		64.64
Add ½ Producer-Settlement Fund Reserve					14,165.54
TOTAL VALUE AT TEST		34,212,427	4.017233	\$6.765293	\$2,314,570.83
Less Test over 3.5% @ 8.2¢ per point		34,212,427	.517233	0.424131	145,105.51
TOTAL UTILIZATION VALUE AT 3.5%		34,212,427	3.5	\$6.341162	\$2,169,465.32
Less Producer-Settlement Fund Reserve		34,212,427		.041162	14,082.52
PRODUCER UNIFORM PRICE - 3.5% TEST		34,212,427	3.5	\$6.30	\$2,155,382.80

DECEMBER 1970 ORDER MINIMUM PRODUCER PRICES CWT. F.O.B. CHATTANOOGA POOL PLANTS  
BUTTERFAT DIFFERENTIAL 8.2¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE
3.0	\$5.89	3.6	\$6.382	4.2	\$6.874	4.8	\$7.366	5.4	\$7.858
3.05	5.931	3.65	6.423	4.25	6.915	4.85	7.407	5.45	7.899
3.1	5.972	3.7	6.464	4.3	6.956	4.9	7.448	5.5	7.94
3.15	6.013	3.75	6.505	4.35	6.997	4.95	7.489	5.55	7.981
3.2	6.054	3.8	6.546	4.4	7.038	5.0	7.53	5.6	8.022
3.25	6.095	3.85	6.587	4.45	7.079	5.05	7.571	5.65	8.063
3.3	6.136	3.9	6.628	4.5	7.12	5.1	7.612	5.7	8.104
3.35	6.177	3.95	6.669	4.55	7.161	5.15	7.653	5.75	8.145
3.4	6.218	4.0	6.71	4.6	7.202	5.2	7.694	5.8	8.186
3.45	6.259	4.05	6.751	4.65	7.243	5.25	7.735	5.85	8.227
3.5	6.30	4.1	6.792	4.7	7.284	5.3	7.776	5.9	8.268
3.55	6.341	4.15	6.833	4.75	7.325	5.35	7.817	5.95	8.309

## PRODUCER MILK BASES

Producers supplying milk to handlers regulated by the Chattanooga Order began forming new bases September 1, 1970. The BASE-FORMING PERIOD IS SEPTEMBER 1970 THROUGH JANUARY 1971. According to the base rules of the Chattanooga Order, each producer delivering milk during the base-forming period will have a base computed as follows: Divide the total milk pounds delivered by each producer during the base-forming period (September 1970 through January 1971) by the number of DAYS FOR WHICH DELIVERY IS MADE, OR BY 120, WHICHEVER IS GREATER. Bases will be used during the 1971 Base-Excess pay period of March through July 1971. All producers, especially partners, should take precaution to see that their name is correctly listed with the Market Administrator. Milk bases will be announced on or before March 1, 1971.

## CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/				HANDLER CLASS PRICES 1/			
	Per Hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf. Dif.	Cwt.	Bf. Dif.	Cwt.	Bf. Dif.
Dec. '69	\$6.17	-	-	8.0¢	\$6.77	8.1¢	\$4.63	7.9¢
Jan. '70	6.29	-	-	8.0	6.78	8.2	4.67	7.8
Feb.	6.26	-	-	8.0	6.82	8.1	4.63	7.8
Mar.	6.15 2/	\$6.30	\$4.58	8.0	6.78	8.1	4.58	7.8
Apr.	6.09 2/	6.29	4.60	8.2	6.73	8.2	4.60	8.0
May	5.99 2/	6.16	4.58	8.2	6.75	8.4	4.58	8.0
June	6.06 2/	6.20	4.61	8.2	6.73	8.4	4.61	8.0
July	6.14 2/	6.31	4.60	8.2	6.76	8.4	4.60	8.0
Aug.	6.01	-	-	8.2	6.75	8.4	4.61	8.0
Sept.	6.32	-	-	8.4	6.76	8.4	4.66	8.1
Oct.	6.39	-	-	8.4	6.81	8.5	4.77	8.1
Nov.	6.47	-	-	8.2	6.92	8.4	4.82	8.0
Dec.	6.30	-	-	8.2	6.97	8.4	4.83	8.1
Jan. '71	-	-	-	-	6.98	8.4	-	-

Date	PRICE QUOTATIONS				PRODUCER MILK USE (Daily Average)			
	Chi-92° Butter	Chi. Area Powder	Minn/Wisc. Mfg. Milk	Basic Formula	Class I		Class II	
	¢ Lb.	¢ Lb.	\$-Cwt-3.5% Minimum		Pounds	Test-%	Pounds	Test-%
Dec. '69	68.45	22.96	\$4.63	\$4.33	736,616	3.46	284,057	5.76
Jan. '70	67.61	23.00	4.67	4.33	779,375	3.41	231,117	6.54
Feb.	67.60	23.15	4.63	4.33	774,028	3.42	259,675	5.73
Mar.	67.95	23.18	4.58	4.33	761,892	3.35	298,922	5.25
Apr.	69.83	25.96	4.60	4.33	784,446	3.34	332,976	4.84
May	69.85	26.84	4.58	4.33	708,369	3.29	365,773	4.53
June	69.81	26.77	4.61	4.33	690,927	3.26	324,444	4.67
July	69.80	27.02	4.60	4.33	715,318	3.27	284,243	4.65
Aug.	69.80	26.85	4.61	4.33	694,169	3.27	347,743	4.45
Sept.	70.52	26.86	4.66	4.33	881,429	3.25	209,852	5.48
Oct.	70.12	26.85	4.77	4.33	875,572	3.37	221,288	5.94
Nov.	69.88	26.82	4.82	4.33	848,594	3.41	226,279	6.46
Dec.	70.40	26.90	4.83	4.33	760,876	3.36	342,699	5.48

## SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK 3/			PRODUCER DATA				DELIVERIES PER		
	No.	Total	Class I	No.	Total	Base	Average	Farm	--- Pounds	
	Hdlers.	Receipt	Use	Prod.	Delivery	Delivery	Test-%	Prod.	Base	Exc.
Dec. '69	20	1,310,785	792,076	773	1,020,673	-	4.10	1,320	-	-
Jan. '70	20	1,241,790	834,648	752	1,010,492	-	4.12	1,344	-	-
Feb.	21	1,359,501	835,831	748	1,033,703	-	4.00	1,382	-	-
Mar.	21	1,397,629	824,119	745	1,060,814	971,078	3.89	1,424	1,303	121
Apr.	21	1,407,342	843,811	743	1,117,422	988,522	3.79	1,504	1,330	174
May	21	1,258,907	768,561	741	1,074,142	965,184	3.71	1,450	1,303	147
June	21	1,153,003	752,470	739	1,015,371	924,399	3.71	1,374	1,251	123
July	21	1,124,146	775,421	744	999,561	903,625	3.66	1,343	1,215	128
Aug.	21	1,153,814	753,698	742	1,041,912	-	3.66	1,404	-	-
Sept.	20	1,184,034	952,991	742	1,091,281	-	3.68	1,471	-	-
Oct.	20	1,196,873	948,068	748	1,096,860	-	3.89	1,466	-	-
Nov.	20	1,166,551	910,227	745	1,074,873	-	4.06	1,443	-	-
Dec.	19	1,212,913	822,193	743	1,103,575	-	4.02	1,485	-	-

1/ Excludes Premiums

2/ Weighted average Price

3/ Other Source is Gross minus Producer

Class II is Receipts minus Class I